



*United States Attorney
Southern District of New York*

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CONTACT: U.S. ATTORNEY'S OFFICE
HERBERT HADAD, MEGAN GAFFNEY
HEATHER TASKER, BRIDGET KELLY
PUBLIC INFORMATION OFFICE
(212) 637-2600

**GEORGIA MAN PLEADS GUILTY TO BILKING NUMEROUS VICTIMS
OUT OF MILLIONS OF DOLLARS**

MICHAEL J. GARCIA, the United States Attorney for the Southern District of New York, announced that CECIL DAVID HALLMAN pled guilty today in Manhattan federal court to defrauding numerous individuals out of more than \$10 million dollars. In pleading guilty to federal fraud charges, HALLMAN admitted that he and his co-conspirators falsely represented themselves as able to obtain financing for the victims' business and humanitarian projects, and required the victims to pay advance fees for those services. Then HALLMAN and his co-conspirators kept the fees, but did not provide the promised financing. HALLMAN also admitted that he repeatedly lied to victims to make them believe that funding for their projects was imminent.

According to the Indictment and an earlier criminal complaint in the case, between June 1997 and April 2001, HALLMAN was the principal of CDH & Affiliates ("CDH"), a purported financial consulting firm located in Fayetteville, Georgia. CDH presented itself as specializing in obtaining financing for

business ventures and other projects that were unlikely to qualify for bank or other, more traditional, financing. According to the charges, HALLMAN made representations to numerous victims that, in exchange for an advance fee ranging from several thousand dollars to as much as \$70,000 or more, CDH would issue bonds, often in amounts of \$50 million or \$100 million, in the names of the victims' companies or humanitarian projects. HALLMAN told the victims of the scheme that the proceeds of these bond sales would be invested in so-called "high yield investment programs" which, HALLMAN represented, would generate sufficient funds to repay the bond holders and fund the victims' business ventures or projects.

According to the charges, the victims of this scheme never received any funding for their ventures or projects, nor a return of their advance fees. One victim, described in the criminal complaint, sought out CDH to obtain financing to construct a non-denominational church in Lake Charles, Louisiana. HALLMAN falsely represented that, for an advance fee of \$50,000, he would issue bonds in the name of her project and sell the bonds in a "private placement" for \$50 million. However, the victim never received any funding for the project, nor a return of her initial \$50,000 fee. Other victims sought out HALLMAN to obtain financing for such business ventures as a cinema/restaurant on the island of Grenada and the construction of a cricket stadium. These victims paid HALLMAN advance fees in the tens of thousands of dollars, but

they never received returns on their investments or their initial fees.

HALLMAN and his co-conspirators furthered the fraud scheme by falsely claiming in letters faxed to the victims that the funding for their projects had been unavoidably delayed but would occur imminently. The Indictment further charged that victims were falsely promised that they could receive a refund of the advance fees they paid to CDH.

HALLMAN was indicted in May 2004 and charged with one count of conspiracy to commit wire fraud and three counts of wire fraud. He pled guilty to the conspiracy count and one of the three wire fraud counts under a plea agreement with the Government. HALLMAN faces a maximum sentence of five years in prison on each of the two counts to which he pled guilty.

HALLMAN, 52, resides in Peachtree City, Georgia.

HALLMAN pled guilty before Judge PRESKA, who scheduled HALLMAN's sentencing for January 10, 2006.

Mr. GARCIA praised the investigative efforts of the U.S. Postal Inspection Service in this case.

Assistant United States Attorneys JONATHAN S. ABERNETHY and BRET R. WILLIAMS are in charge of the prosecution.

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